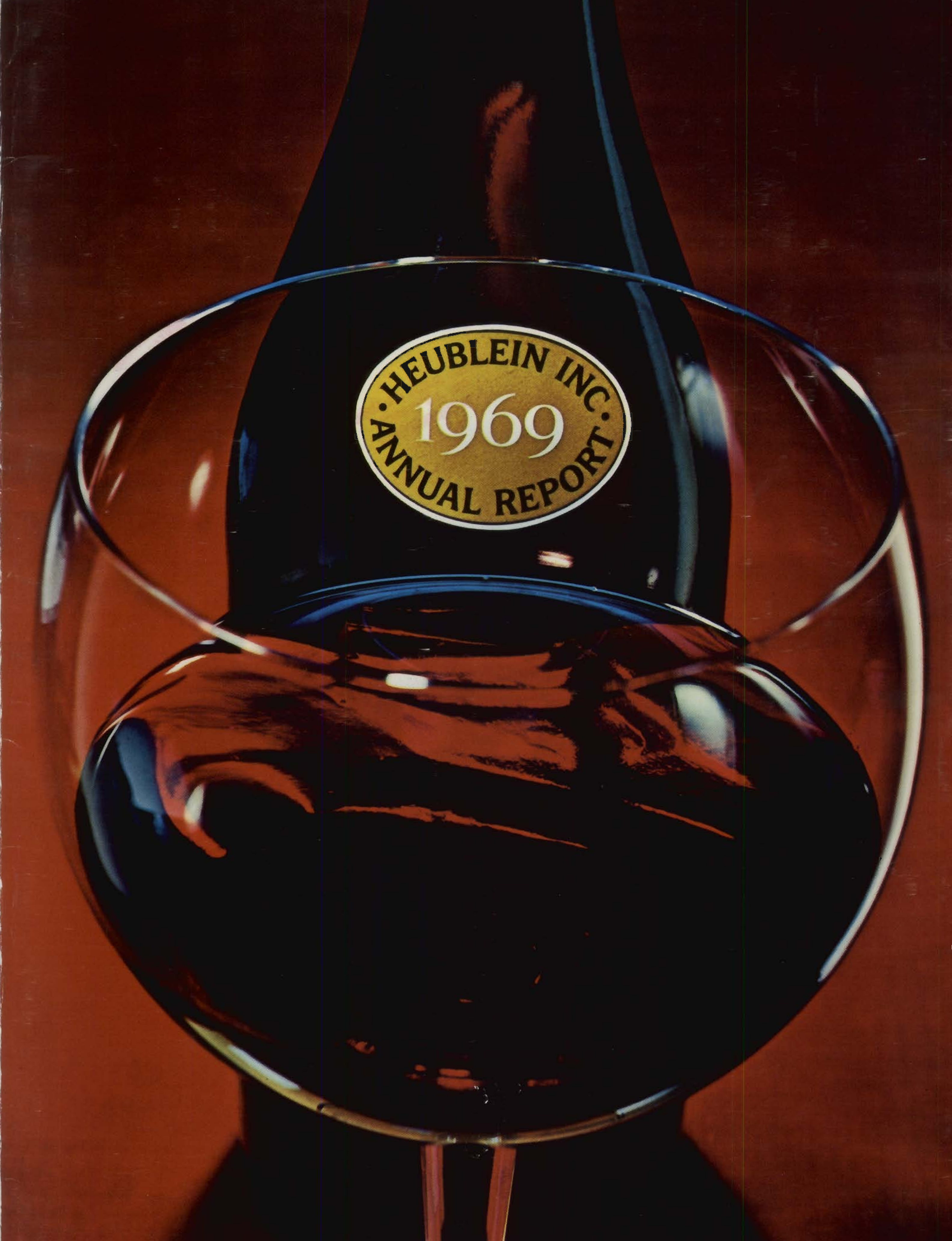

HEUBLEIN INC.
1969
ANNUAL REPORT

ESTATE BOTTLED
Inglenook
Napa Valley
CABERNET SAUV
1964
Inglenook
Napa Valley
1967
Inglenook
Napa Valley
1966
1965
Beaulieu Vineyard
BV
ESTATE BOTTLED
BEAUMONT
NAPA VALLEY
PINOT NOIR
Beaulieu Vineyard
BV
ESTATE BOTTLED
PRIVATE RESERVE
1966
Beaulieu Vineyard
BV
ESTATE BOTTLED
BEAUFORT
NAPA VALLEY

THE YEAR IN BRIEF

Years Ended June 30	1969	1968
Net sales	**$520,855,000**	$485,112,000
Income before provision for income taxes	**37,103,000**	32,242,000
Income taxes-federal and state	**20,533,000**	16,746,000
Net income	**16,570,000**	15,496,000
Primary earnings per share	**1.27**	1.14
Cash dividends declared per common share	**.75**	.68
Working capital	**44,712,000**	42,545,000
Total stockholders' equity	**85,836,000**	109,511,000
Stockholders' equity — per common share	**3.17**	2.52
Number of common shareholders	**15,952**	14,436

The summary above includes amounts in both years for United Vintners which was acquired in fiscal 1969 and treated for accounting purposes as a pooling of interests.

Stuart D. Watson
President and Chief Executive Officer

John G. Martin
Chairman of the Executive Committee

Ralph A. Hart
Chairman of the Board of Directors

LETTER TO SHAREHOLDERS

The year ended June 30, 1969, was a vintage year for Heublein. That's a term used in our wine business to describe a year of achievement and good returns.

We gained a major position in the fast-growing domestic wine business through a merger with United Vintners, a leading California company, and we set record sales and earnings in the established lines of our business for the ninth consecutive year.

At the outset of the year, significantly higher goals were set by our divisions and subsidiaries. Most of these goals were achieved and the year-end figures reflect this over-all fine performance.

This was our first full year of operation under a decentralized organization making each division and subsidiary a separate profit center, with its own production, sales and financial controls.

It was, therefore, especially gratifying to see the prompt and enthusiastic response as management and employees turned to the tasks of developing and directing plans for the year, setting and achieving record goals, and, in the process, strengthening and broadening management capabilities.

The performance of divisions and subsidiaries made it possible to devote a greater share of corporate staff efforts to the successful completion of a unique $100 million merger.

The merger with United Vintners is the first in which a cooperative and a publicly-owned corporation merged and continued as partners in the business. It has been called a new form of business enterprise. Heublein owns 82 per cent of United Vintners, the remainder being held by Allied Grape Growers, a leading grower cooperative.

The cooperation extended by United Vintners and its chairman and chief executive officer, B. C. Solari, and by the board members of Allied Grape Growers and its president, Robert C. McInturf, has been most helpful and effective.

It is largely through their efforts that we have made exceptional progress in establishing ourselves as a principal in the domestic wine business.

The addition of the domestic wine business to an already flourishing imported wine business was one of our three corporate goals. The others were record growth in sales and earnings-per-share and the successful introduction of profitable new products.

Sales exceeded a half billion dollars for the first time in Heublein's history and a year ahead of plan.

Total sales were $520,855,000, up 7.4 per cent over a year ago.
Earnings-per-share were $1.27, up 11 per cent.
Net income was $16,570,000, up 7 per cent.

To further the growth of our business, we continued to put emphasis on marketing, adding new skills that did not exist in our company. We added 21 top and middle managers in key positions during the year. Barry Rowles, formerly president of the Pet Products Division of Mars, Inc., joined the company as president of Theodore Hamm Brewing Co. and senior vice president and director of Heublein. Another experienced marketing executive, Victor Bonomo, formerly vice president of General Foods, was named president and chief operating officer of United Vintners.

Growth of established lines of our business was paced by the sales gains of Smirnoff Vodka and A.1. Sauce, both leaders in their respective markets.

The mounting consumer taste for light spirits as well as wine is reflected once again in the big sales gains registered by Smirnoff Vodka, by Black Velvet, a light Canadian whisky, by Don Q, a light rum, and by Jose Cuervo Tequila.

Also indicative of the popular light taste is the demand for Lancers Vin Rose, which outstripped production, emphasizing the need for the $1.6 million winery now under construction near Lisbon, Portugal.

Arrow Cordials, the second best-selling line of cordials and brandies in this country, also increased its sales following a restyling of its package and the introduction of a new miniature line.

One of the most exciting new developments was the response to Club Cocktails, an eight-ounce prepared cocktail in a pull-top can. In its first full year in the national market, it doubled our consumer cocktail business.

The Theodore Hamm Brewing Co. operated profitably although sales did not meet expectations because of difficulties encountered from a long-term strike by workers of its principal can supplier. Since then, Hamm's has undertaken construction of a $1,950,000 can plant in cooperation with the Continental Can Company, which will improve its supply situation.

Led by A.1. sales, the Consumer Products Division had an unusually good year with all its specialty foods.

Our international business, spanning more than 100 countries, continues to grow at a rapid rate.

The Board of Directors, acting on the recommendation of the Executive Committee, asked Chairman Ralph A. Hart to continue in his post a year beyond his normal retirement date of June 30, 1969, and the Executive Committee proposes to nominate him for re-election as chairman at the next annual meeting of shareholders in October.

Your management gratefully acknowledges the support given to our company by Heublein's shareholders, employees, suppliers and agencies, each of whom, in his own special way, has contributed to making this another successful year.

Stuart D. Watson

R A Hart

John G. Martin

The Spirits and Wine Division achieved its major sales objectives in fiscal 1968-69, increasing both its case sales and dollar volume as much as 17 per cent.

Heading the Division's product line once again was Smirnoff Vodka which set new records on both counts. The Smirnoff accomplishment was in the face of toughening competition in the vodka market. Smirnoff continued, however, to exceed the growth rate of the distilled spirits industry by some 33 per cent and continues to enjoy a major share of the growing U. S. vodka market.

California — the area which gave birth to the Smirnoff phenomenon some 25 years ago — still accounts for the largest portion of sales, but significant increases were made last year in the Central states and in the South and East. Sales in the Chicago region alone were up 38 per cent, and New Jersey, New York, Maryland, South Carolina and Georgia averaged 20 per cent increases.

Two promotions for 80 proof Smirnoff met with special success. The first, a tie-in with the Coca-Cola Company and its fast-moving Fresca, a citrus drink, featured popular television personality Johnny Carson. The second campaign reflected America's changing life-style and the swing toward more casual entertaining. Its theme was "The Brunch" and it offered the opportunity to emphasize the versatility of Smirnoff with the breakfast-lunch combination. Advertising depicted the appeal of Smirnoff with various juices and mixes. The promotion met with such success that Heublein plans to enlarge the program in 1969-70.

Heublein also instituted its first national merchandising program for Smirnoff 100. During the time of the promotion, which featured the "Smirnoff Freeze", sales for Smirnoff went up 10 per cent.

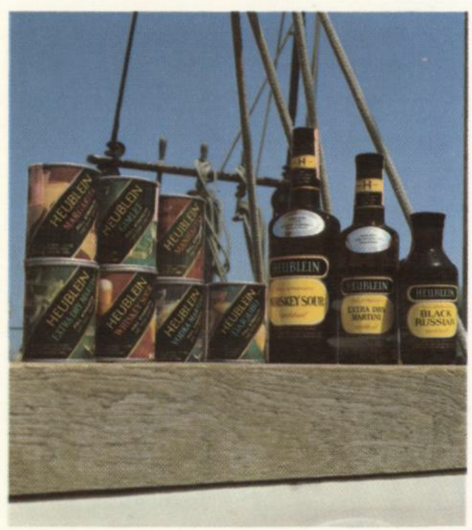
The appeal of lighter alcoholic drinks that may be consumed moderately on more occasions is in keeping with the new quality of life permeating our society. This accounts largely for the success last year of Black Velvet Canadian Whisky, a brand for which Heublein acquired exclusive long-term rights in 1967.

As young adult Americans seek a more relaxed life-style, light, flavorful wines also are more and more in vogue. Young, college-educated Americans in the middle to upper middle income bracket are today's wine consumers, averaging five to ten gallons per year. Many of these consumers find the answer to their taste in the popular Portuguese Lancers Vin Rose. It is the best-selling imported wine in the U. S., and case sales for Lancers increased again last year from a broad base.

The heightened demand for this distinctive wine, bottled in an attractive crock, will be satisfied by a new production facility near Lisbon. Heublein has joined with the J. M. da Fonseca firm to build a new $1.6 million winery there. The new plant will more than double production.

Heublein's prestigious line of premium wines was further strengthened last year with the addition of the Beaulieu Vineyard label.

Arrow Cordials and brandies last year made important advances in the Company's drive to overtake first place in this growing after-dinner drink category. All packages and labels were redesigned to enhance trade promotion and achieve greater consumer response.



Cordials were also introduced in miniature 1.6-ounce bottles, to cater to more affluent, adventuresome consumer tastes by providing a larger selection in a convenient, individual package. These miniatures, including


CLUB
DAIQUIRI
CLUB
SCREWDRIVER


SMIRNOFF
VODKA

Green Creme de Menthe, Sloe Gin, Blackberry Flavored Brandy, Coffee Flavored Brandy, Ginger Flavored Brandy, Creme de Cacao, Apricot Flavored Brandy and Peppermint Schnapps, have been accompanied by merchandising directed in many instances to the woman buyer at the point of sale. The sales response has exceeded original expectations.

Two other distilled spirits for which Heublein acquired exclusive U. S. distribution rights also are positioned to satisfy the trend toward lighter, more tasty drinks. Don Q Rum and Jose Cuervo Tequila are easy mixers which afford the opportunity for innovation and creativity in mixing alcoholic beverages. Both products are moving out of traditionally ethnic markets and are rapidly attracting broader appeal.

Jose Cuervo and Heublein's Matador Tequila together enjoy more than 50 per cent of the market. Tequila is one of the fast-growing segments of the liquor market, and Cuervo's rate of growth triples that of the total distilled spirits market.

Don Q, a light Puerto Rican rum, aside from its "mixability", also is used in cooking, punches and eggnogs. It has posted a 28 per cent increase in sales since the brand was acquired by Heublein.

Heublein has represented the Harveys wines and sherries in the U. S. for more than 10 years. In that time Harveys Bristol Cream Sherry has become the leading imported sherry in the nation, accounting for one-third of the total market.

Largely through the appeal of the distinguished product itself, and aided by national network television advertising, Harveys raised its unit sales some 22 per cent.

A new method of using national network television advertising has proven beneficial in promoting Heublein's wines, sherries, beer and food products. To achieve maximum returns at a lower unit cost, Heublein has made its national network buys so that one-minute commercials may be divided into 30-second promotional spots and run consecutively. In addition, the network buy has been split into Eastern and Western regions for more effective penetration of markets suitable to the advertised product. This innovation in advertising has resulted in substantial economies.

The prepared cocktail was originated by Heublein at the turn of the century and our Company has dominated the growing market ever since. Again, the changing mode of life which encourages more leisurely hosting as well as outdoor entertaining has opened another rapid growth period for pre-mixed cocktails.

Following successful test marketing, a new, Heublein-conceived, moderate-proof, canned Club Cocktail was first introduced to the national market in 1967. It was the first pre-mixed cocktail to be packaged in a can. Fiscal 1969 marked the first full year of Club Cocktails in the national market and results have exceeded all expectations. Club Cocktails have an alcohol content between full-strength cocktails and beer. They are packaged in pull-top cans and need only be chilled.

Heublein introduced the Clubs in six different drinks — Martini, Whiskey Sour, Daiquiri, Margarita, Manhattan and Screwdriver. Last year three more flavors were added to the line — Mai-Tai, Vodka Martini and Vodka Gimlet.

Club Cocktails are now sold in 42 states and the District of Columbia. In essence, they have created a whole new liquor category and have

doubled the Company's consumer cocktail business.

Based on this success Heublein has introduced its Full-strength Cocktails to the national market, in 8-ounce cans, offering eight popular flavors. The new products, tested with full advertising and merchandising back-up, are now being offered on a national basis. The product line includes Extra Dry Martini, Vodka Martini, Manhattan, Whiskey Sour, Daiquiri, Gimlet, Mai-Tai and Margarita. Heublein Full-strength Cocktails in bottles are available in 19 different mixes and in various sizes.

Full-strength Heublein Cocktails now command more than twice the sales of the next most popular brand.

Travel has become an integral part of American life as more and more people enjoy an improved quality of life. Heublein's liquor business reflects this in its growing sales to the transportation business. Sales to air, sea and land passenger carriers are up over last year.

In its quest for new markets, Heublein early this year launched an aggressive domestic marketing program for military sales. The operation has been staffed with a sales force experienced in this highly specialized field. To date, the effort reveals a 25 per cent increase in case sales over the previous year.

The Consumer Products Division is benefiting directly from the desire for quality life which encompasses the American scene. The Division grew 20 per cent in case sales last year on the basis of its capability to satisfy the increasing demand for specialty foods and sauces.

A.1. Sauce continues to be the pace setter for the Division and dominates the meat sauce market. A.1. dollar sales last year rose more than 20 per cent. The growth of this highly familiar product over the past decade has been exceptional — more than 300 per cent.

A.1.'s versatility is largely responsible for the market acceptance it receives. Used as a pour-on or as an ingredient, A.1. has become a favorite advertising and merchandising partner for such popular, recipe-oriented brands as ReaLemon, Reynolds Wrap, Hunt's Tomato Sauce and Wesson Oil.

In addition to national network prime time television advertising, A.1. is featured in ads in major magazines. The advertising is further supported by unique and imaginative promotions.

Two other Heublein products in the meat sauce category — Escoffier brand Sauce Robert and Sauce Diable — also made impressive gains last year. The sales increase for these gourmet-type products substantiates the fact that the broadening market of affluent, discriminating


ORTEGA
ENCHILADA SAUCE
ORTEGA
GREEN CHILE SALSA
HOT
PEPPERS
WHOLE
A1
STEAK SAUCE

consumers are willing to pay for quality products.

Despite the fact that distribution of Snap-E-Tom Tomato Cocktail has been limited basically to the Western states, sales volume reached new highs last year. Snap-E-Tom produced a 40 per cent gain in sales dollars over the previous year.

The chile-spiced, hot tomato cocktail has also demonstrated its broad-based consumer appeal in test markets in the Midwest. Innovations in advertising and promotional techniques and wide exposure on airlines as a mix with Smirnoff Vodka for Bloody Marys, continue to broaden the consumer base for Snap-E-Tom.

Another regionalized line of products — Ortega Mexican-style foods — is also beginning to extend its market boundaries both geographically and in type of consumer. The Ortega brand products — green chile peppers, green chile salsa, pimientos, taco sauce, enchilada sauce and jalopenos peppers — have traditionally been a leader in the Mexican ethnic market in the West and Southwest. But with the increased American demand for interesting and different foods consistent with the new, zestier style of life, Mexican style food products may soon compete with Italian style specialties for consumer favor. An advertising program scheduled for this Fall is expected to generate new enthusiasm for Ortega products.

In the year just ended, the Ortega line proved to be an important revenue producer for the Company's Consumer Products Division.

Grey Poupon Dijon Mustard, another of the Division's high quality products catering to aesthetic tastes, has more than doubled its sales volume in the last three years. The growth of Grey Poupon is all the more impressive when compared to the total mustard market growth rate which has remained generally stable at only 1 per cent.

The light but subtly spicy Grey Poupon, made with a white wine base, last year boosted its sales dollar volume and increased its share of market some 33 per cent.

Grey Poupon's exposure on network television shows such as "Today" and "Tonight" contributed to last year's impresive record.

Theodore Hamm Brewing Company, a wholly-owned Heublein subsidiary, with breweries in St. Paul, Los Angeles and San Francisco, showed profits in calendar 1968 equal to the previous year. Although sales did not meet expectations, progress was made in reinforcing the Company's position in the toughly competitive beer industry.

At the close of calendar 1968, the 12 months on which the U.S. Brewers Association reports its figures, Hamm's was rated as one of the top ten U.S. brewers. Its high rank is all the more remarkable in that Hamm's products are sold in just 28 states in the Western half of the nation.

A special tasting panel of Consumers Union, an independent testing organization, judged Hamm's to be "top rated" in its class as a light-bodied beer. The panel's findings, reported in Consumer Reports, were based on a review of some 35 domestic and foreign brands.

Hamm's, during the past fiscal year, accelerated its organizational development, plant expansion and marketing strategy directed toward long-range results.

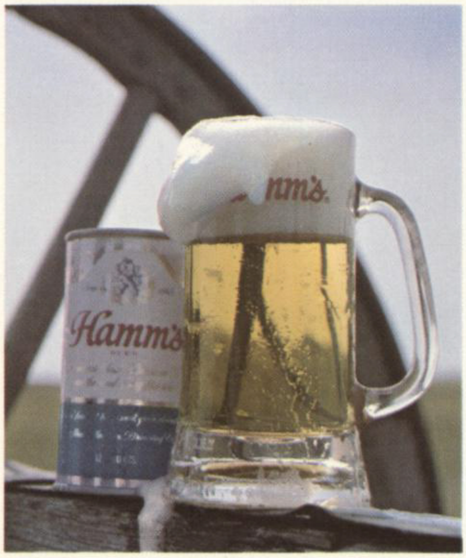
Beginning with the appointment of Barry M. Rowles, former head of the Pet Products Division of Mars, Inc., as president last August, Hamm's has supplemented its managerial staff with specialists in important operating areas. Earlier Hamm's had adopted the brand manager concept to implement new marketing strategies. Reorganization of the marketing department was completed and fully operational by the end of 1968 and it now serves as an idea-generating center and catalyst for Hamm's marketing program.

An eight-month strike occurred at the St. Paul area plant of Reynolds Metals Company, a major aluminum can supplier. During that time Hamm's was unable to obtain sufficient aluminum cans for its Midwest markets. This was instrumental in

Early California-style foods, a favorite in restaurants, are rapidly gaining popularity in home cooking.

its decision to build its own can producing plant. Construction on the new $1,950,000 facility near the St. Paul brewery was begun in June. When completed in March, 1970, the plant will produce tin-free steel cans, latest innovation in beer packaging.

The plant is a cooperative venture with the Continental Can Company.



Hamm's will own the land and building but equipment and operation of the plant will be the responsibility of Continental.

In keeping with Hamm's aggressive marketing strategy, distribution of Hamm's premium beer was expanded into new markets in Indiana and Louisiana.

Hamm's also made a change of advertising agencies to initiate promotional campaigns matching its intensified growth plans. J. Walter Thompson, the world's largest advertising agency, was appointed on the basis of its capability to meet Hamm's marketing projections.

Hamm's introduced its new advertising campaign in all markets last April and initial response has been


Arrow
Creme de Menthe
IMPORTED
HARVEYS
Irish Mist

good. Based on the assertive phrase, "A beer is a beer is a beer until you've tasted Hamm's", the advertising is geared to reach regular consumers as well as the increasing number of young adults entering the consumer market. Television and radio commercials incorporate the music of an old sea chanty and highlight Hamm's 104-year-old tradition as a quality beer.

A complete redesign of Hamm's packages and labels also was undertaken last year to accentuate the Company's heritage as a quality brewer of premium beer. The "old style" signature, used by Hamm's at the turn of the century, is incorporated in the new design.

Hamm's established a computerized order and shipping system in St. Paul to enable more than 500 wholesalers served by its three plants to maintain effective inventory and stock rotation programs. This enables Hamm's to better balance its inventories and improve production scheduling and shipping.

As a further step toward greater operating efficiency, a 72,000 square foot loading area was added to the St. Paul plant to handle increased rail shipments from the brewery. The structure, which permits inside loading and unloading, can accommodate 12 railroad cars at one time.

United Vintners, Inc., Heublein's newest subsidiary, is riding the crest of a growth market for flavorful, moderate-proof alcoholic beverages.

In the 12-month period ended June 30, 1969, United Vintners exceeded projections in both unit sales, up 7.1 per cent, and dollar volume, 11.3 per cent. After-tax earnings for United Vintners were up by a sizeable amount in spite of an increase of some $3 million in the cost of grapes. This is partly due to price increases but is also the result of a better product mix. Champagnes, brandy and premium wines, for example, had a total increase of 25 per cent in case sales.

Wine consumption in the U.S. totaled 216 million gallons in fiscal 1969.

United is sharing in the increasing wine demand at all consumption levels because it has a product range from rare estate bottled vintages to popular priced varieties.

Its Inglenook estate bottled wines are recognized as wines of premium value. At the same time, United Vintners' Italian Swiss Colony brand enjoys substantial popularity in the fast-growing trend toward lighter, often slightly flavored, cocktail-aperitif wines. These beverages, appealing to moderate family usage and informal entertainment, are believed to be the wave of the future.

Among the more notable entries under the Italian Swiss Colony banner is Bali Hai, a fruit flavored wine, with an alcohol content of less than 12 per cent. Its growth pattern is outstanding. Market surveys reveal that Bali Hai's consumer base is composed largely of young adults using wine regularly for the first time.

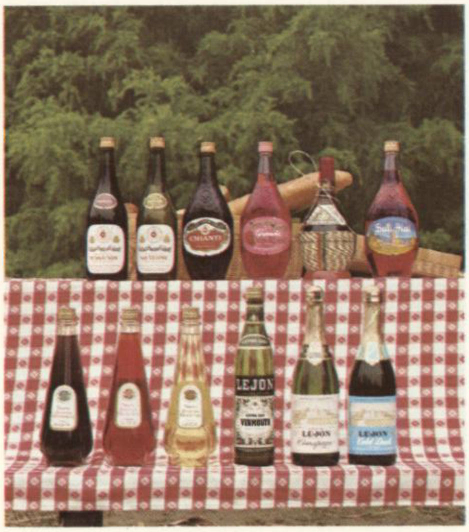
United also has several strong contenders in the growing market for sparkling wines with its Lejon Champagne, Sparkling Burgundy and Cold Duck, a combination of champagne and sparkling burgundy. Demand for sparkling wines outpaced United Vintners production capacity but nevertheless the Company achieved a 33 per cent growth in this category. A new production facility is planned for completion in 1971.

United Vintners has been given responsibility for Heublein's imported wine business, the Vintage Wines Company. The consolidation of the imported and domestic wines business was virtually complete by the close of the year. Victor A. Bonomo, an experienced marketing executive, was named president of United Vintners in March.

Growing public interest in wines was evident in the first wine auction ever held in the U. S. which Vintage Wines Company conducted in Chicago last May. The auction attracted widespread attention as a result of extensive news media coverage. One benefit from the auction was the new values set for wines in this country, particularly California premium quality wines.

The International Division contributed to Company profits last year, exceeding its projected sales objectives by nearly 13 per cent. The Division also laid groundwork for establishment of additional subsidiaries, joint ventures and acquisitions.

Smirnoff Vodka, which continues to hold its position as one of the world's best-selling brands of liquor, is increasing overseas sales at a rate twice that in the U. S. The International Division has licensees in 34 countries and markets products in more than 100. Total case sales approach the 1.5 million mark.



In established licensee markets such as Canada and the United Kingdom, Smirnoff has achieved leading market shares by substantial margins and is still growing. In many recently developed markets the brand's growth is impressive. For example an 83 per cent increase in Eire, 27 per cent in Mexico and 33 per cent in East Africa.

Among those overseas markets to which Smirnoff is exported directly, the sales gains were greatest in Norway and Puerto Rico.

In the Bahamas, Smirnoff sales are on the increase. Club Cocktails, recently introduced, Lancers Vin Rose and "Tonight" dry cocktail mixes have also achieved good consumer acceptance.

Sales of Smirnoff and Heublein Full-strength Cocktails aboard international air carriers rose some 21 per cent this past year.

Creative advertising and promotion, coupled with exciting public relations support initiated by franchise holders, have been largely responsible for the wide acceptance of Smirnoff overseas. The changing life-style throughout the world is reflected in promotions conducted by Heublein International, geared to the tastes and fashions of the young adult, pace-setter groups abroad.

Heublein International in fiscal 1969-70 will have the responsibility for the overseas marketing of wines and brewery products in addition to spirits and food.

HEUBLEIN, INC. / OFFICERS AND DIRECTORS

DIRECTORS

DEWALT H. ANKENY
CHRISTOPHER W. CARRIUOLO
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EDWARD H. HAMM
RALPH A. HART*
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WILLIAM H. MORTENSEN*
FRANCES HEUBLEIN O'DELL
JOSEPH A. PROCHASKA
RICHARD RAPPORT
BARRY M. ROWLES
LESTER E. SHIPPEE*
ROBERT L. TRESCHER
STUART D. WATSON*
J. HAROLD WILLIAMS

**Members of Executive Committee*

CORPORATE OFFICERS

RALPH A. HART
Chairman

JOHN G. MARTIN
Chairman of the Executive Committee

STUART D. WATSON
President and Chief Executive Officer

CHRISTOPHER W. CARRIUOLO
Senior Vice President
General Manager,
Spirits and Wine Division

JOSEPH A. PROCHASKA
Senior Vice President
Corporate Research and Development

BARRY M. ROWLES
Senior Vice President
President,
Theodore Hamm Brewing Co.

PAUL R. DOHL
Vice President-General Counsel

EDWARD L. HENNESSY, JR.
Vice President-Finance

JOSEPH M. McGARRY
Vice President-Public Relations

JOHN M. TYSON, JR.
Vice President
General Manager,
Consumer Products Division

KURT E. VOLCKMAR
Vice President
General Manager,
International Division

MARY G. FALVEY
Secretary

JOHN J. MORAN
Treasurer

OFFICERS OF DIVISIONS AND SUBSIDIARIES

Spirits and Wine Division

WILLIAM W. BEHRMAN
Vice President
Arrow Liquors Company

RICHARD F. LARKINS
Vice President
Open States Sales Manager
Arrow Liquors Company

WALTER E. COHAN
Vice President-Marketing

CHARLES J. HERBERT
Vice President
Smirnoff Sales Company

EDWARD F. MURPHY
Vice President-Control States
Smirnoff Sales Company

E. R. TROWSDALE
Vice President-Don Q Imports Co.

DONALD R. JACKSON
Vice President-Controller

RICHARD F. NELSON
Vice President-Manufacturing

MARTIN J. O'HAGAN
Vice President
Vintage Wines Company

E. JAMES STRANGER
Vice President-National Accounts

Theodore Hamm Brewing Co. — Subsidiary

WILLIAM HAMM, JR.
Honorary Chairman of the Board

BARRY M. ROWLES
President

ANDREW C. SPAHL
Vice President-Production

LEONARD L. JOHNSON
Vice President-Marketing

JOHN F. KELLER
Vice President-Controller

ROY M. WESTLY
Vice President-Sales
Western Area

ROBERT E. LIVINGSTON
Vice President-Sales
Eastern Area

HERMAN G. VEDDER, JR.
Vice President-Sales Manager
St. Paul Division

RUSSELL J. FROMM
Vice President-Sales Manager
Chicago Division

RICHARD L. ANDERSON
Vice President-Sales Manager
San Francisco Division

WILLIAM E. SPENCER
Vice President-Sales Manager
Los Angeles Division

WILLIAM W. WADEL
Vice President-Sales Manager
Houston Division

JOHN E. THOMAS
Secretary

E. A. BAUMBACH
Treasurer

United Vintners, Inc. — Subsidiary

B. C. SOLARI
Chairman of the Board
Chief Executive Officer

VICTOR A. BONOMO
President
Chief Operating Officer

JOHN B. CELLA, II
Vice Chairman of the Board

RICHARD M. DOTY
Vice President-Secretary

FRANK W. SCHUMACHER
Vice President-Treasurer

LELIO N. BIANCHINI
Vice President

NEIL L. BIANCHINI
Vice President
Open States Sales Manager

JOSEPH CALABRESE
Vice President
Marketing Administrator

IRVING C. COTANCH
Vice President
Director of Marketing

JOHN E. McGRATH
Vice President

JAMES O. McMANUS
Vice President-Distribution
and Marine Division

EDWARD A. ONGIONI
Vice President-Eastern Sales

EDWARD A. ROSSI, JR.
Vice President-Quality Control

ROBERT D. ROSSI, JR.
Vice President-Production

ROBERT TASSINARI
Controller

Consumer Products Division

DAVID F. THAYER
Vice President-Sales

JOHN P. WILLIS
Vice President-Controller

H. KEITH McLAUGHLIN
Vice President-
Coastal Valley Operations

Beaulieu Vineyard — Subsidiary

MME. HELENE de LATOUR de PINS
Honorary Chairman
of the Board

STUART D. WATSON
Chairman of the Board

CHRISTOPHER W. CARRIUOLO
President

LEGH F. KNOWLES
Vice President
General Manager

OTTO GRAMLOW
Vice President
Treasurer

ANDRE TCHELISTCHEFF
Vice President
Wine Master

RICHARD M. DOTY
Secretary

WALTER SULLIVAN
Director

HEUBLEIN, INC. / PRINCIPAL OFFICES AND PLANTS

CORPORATE HEADQUARTERS
330 New Park Ave., Hartford, Conn. 06101 Code 203 233-4461

CONSUMER PRODUCTS DIVISION HEADQUARTERS
330 New Park Ave., Hartford, Conn. 06101 Code 203 233-4461

THEODORE HAMM BREWING CO. HEADQUARTERS
720 Payne Ave., St. Paul, Minn. 55101 Code 612 776-1561

INTERNATIONAL DIVISION HEADQUARTERS
330 New Park Ave., Hartford, Conn. 06101 Code 203 233-4461

SPIRITS AND WINE DIVISION HEADQUARTERS
330 New Park Ave., Hartford, Conn. 06101 Code 203 233-4461

UNITED VINTNERS, INC. HEADQUARTERS
601 Fourth St., San Francisco, Calif. 94107 Code 415 421-3213

CONSOLIDATED STATEMENT OF INCOME

Years ended June 30	1969	1968
Net sales	$520,855,000	$485,112,000
Cost of sales	394,373,000	372,562,000
	126,482,000	112,550,000
Expenses:		
Selling and advertising	76,313,000	68,722,000
Administrative and general	12,142,000	10,873,000
	88,455,000	79,595,000
	38,027,000	32,955,000
Other deductions (income):		
Interest expense	1,903,000	1,771,000
Interest income	(204,000)	(201,000)
Gain on sales of assets — net	(332,000)	(758,000)
Miscellaneous — net	(443,000)	(99,000)
	924,000	713,000
Income before provision for income taxes	37,103,000	32,242,000
Provision for income taxes:		
Federal	18,436,000	15,365,000
State	2,097,000	1,381,000
	20,533,000	16,746,000
Net income (Note 1)	$ 16,570,000	$ 15,496,000
Earnings per share of common stock (Note 6)	$1.27	$1.14

See accompanying notes.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Acquisitions

In February 1969 the Company completed the acquisition of a controlling interest in United Vintners, Inc. (United) by acquiring all of the Class A common stock (representing 82% of the voting rights) of Heublein Allied Vintners, Inc. (Vintners) the principal asset of which is its investment in United, a wholly-owned subsidiary, in exchange for 1,734,175 shares and 499,989 shares, respectively, of newly authorized Series A and Series B preferred stock (see Note 4) and 224,907 shares of common stock. Up to 300,000 additional shares of Series A preferred stock may be issued upon the final determination of certain alleged tax liabilities (see Note 2). The equity ($24,000) applicable to 49,106 shares of Vintners outstanding Class B voting common stock without dividend rights which are not held by the Company is included in accounts payable. The Company may purchase such shares under certain conditions specified in a long-term supply contract entered into at the time of the merger (effective as of September 1, 1968) with Allied Grape Growers (Allied) an agricultural cooperative. Under the terms of the supply contract, Allied is to supply grapes to United.

Inasmuch as the securities issued by the Company were designed to preserve the economic position of the members and former members of the non-profit agricultural cooperatives which were predecessors to Vintners and Allied and to provide them with essentially the same rights and in recognition of other factors, this acquisition has been accounted for as a pooling of interests. Accordingly, the accompanying consolidated financial statements have been restated to include the operations of the predecessor agricultural cooperatives. These operations for the fiscal periods ending on or before August 31, 1968 have been adjusted on a pro forma basis for comparative purposes for $2,357,000 in 1968 and $374,000 in 1969 to provide for (1) imputed interest expense related to borrowings necessary to pay growers earlier under the terms of the supply contract, (2) the additional payments to the growers which would have been payable had the merger and supply contract been effective prior to September 1, 1968 and (3) estimated federal and state income taxes, as if the predecessor cooperatives were subject to federal and state income taxes (see Note 2).

In June 1969 the Company purchased for approximately $7,480,000 in cash all of the outstanding common stock of Beaulieu Vineyard and its distributor affiliate. As the operations of these companies were not material from the date of acquisition to June 30, 1969 in relation to total net income, they have not been included in the consolidated statement of income. Cost in excess of net assets of purchased businesses increased $1,894,000 as a result of this acquisition.

Note 2. Contingent tax liabilities

Prior to the acquisition of Vintners (see Note 1), the Internal Revenue Service issued a report, based upon their examination of the tax returns of United for the years ended August 31, 1961 through 1966, proposing assessments of $3,275,000. If such proposal is sustained it is estimated that federal income tax

CONSOLIDATED BALANCE SHEET
June 30, 1968 and 1969

ASSETS	1969	1968
Current assets:		
Cash	**$ 6,381,000**	$ 5,146,000
Short-term marketable securities, at cost (approximately market)	—	5,800,000
Accounts and notes receivable	**66,177,000**	62,361,000
Inventories, at lower of cost (first-in, first-out) or market:		
Finished products	**16,235,000**	11,200,000
Products in process	**3,727,000**	3,850,000
Bulk whiskey and wines	**30,626,000**	24,237,000
Raw materials	**11,776,000**	10,818,000
Total inventory	**62,364,000**	50,105,000
Prepaid expenses	**2,333,000**	1,638,000
Total current assets	**137,255,000**	125,050,000
Property, plant and equipment, at cost:		
Land	**5,672,000**	4,657,000
Buildings	**64,844,000**	60,683,000
Machinery and equipment	**69,624,000**	66,958,000
Wine tanker	**6,974,000**	6,974,000
	147,114,000	139,272,000
Less accumulated depreciation — accelerated and straight-line methods	**81,693,000**	76,395,000
Net property, plant and equipment	**65,421,000**	62,877,000
Trademarks and contracts, at cost less amortization	**2,777,000**	2,968,000
Cost in excess of net assets of purchased businesses, less amortization (Note 1)	**8,292,000**	6,578,000
Other assets	**3,426,000**	2,394,000
	$217,171,000	$199,867,000

of $500,000 would be due for the two years ended August 31, 1968 and approximately $445,000 of California franchise tax would be due for the years 1961 to 1968. United's management has been advised by counsel that the proposed adjustments are, for the most part, without merit and the assessment is being contested.

Because of these contingent tax liabilities and contested property taxes and related expenses, 300,000 shares of the Company's Series A convertible preferred stock were not issued at the time of the merger under the terms of a holdback agreement and a liability representing the stated value of such shares was provided. These shares may be isued in whole or in part under a formula if the settlement of the tax claims and related expenses amount to less than the $3,000,000 amount originally set up as a tax liability. As of June 30, 1969 settlement of property taxes and related expenses totalling approximately $94,000 have been charged against the amount originally provided and have also reduced by 9,352 shares the potential maximum additional shares of the Company's Series A convertible preferred stock issuable under the terms of the holdback agreement.

Note 3. Long-term debt

At June 30, 1969, long-term debt due after one year was as follows:

Notes payable to banks, interest at

1/4% above prime rate (prime rate principally 8 1/2% at June 30, 1969), payable in annual installments of $8,000,000 to March 31, 1974	$32,000,000
5 1/4% mortgage note payable in annual installments of $750,000 to August 31, 1973 (re wine tanker)	3,000,000
Mortgage note payable, variable interest at 1/2% above prime rate payable in annual installments of $1,000,000 beginning August 31, 1974 (re wine tanker)	3,000,000
Other	792,000
	$38,792,000

LIABILITIES AND STOCKHOLDERS' EQUITY	1969	1968
Current liabilities:		
Notes payable	**$ 19,285,000**	$ 10,068,000
Current portion of long-term debt	**8,850,000**	910,000
Accounts payable	**25,879,000**	33,057,000
Accrued expenses	**10,187,000**	9,986,000
Taxes:		
Federal and state taxes on income (Note 2)	**10,108,000**	8,754,000
Other	**15,873,000**	17,151,000
Cash dividends payable	**2,361,000**	2,579,000
Total current liabilities	**92,543,000**	82,505,000
Long-term debt, due after one year (Note 3)	**38,792,000**	7,851,000
Stockholders' equity (Note 4):		
Preferred stock	**52,125,000**	82,665,000
Common stock	**5,389,000**	5,329,000
Paid-in surplus	**10,128,000**	3,390,000
Earned surplus	**24,052,000**	18,200,000
	91,694,000	109,584,000
Less cost of 158,790 shares (4,188 in 1968) of common stock in treasury	**(5,858,000)**	(73,000)
Total stockholders' equity	**85,836,000**	109,511,000
	$217,171,000	$199,867,000

See accompanying notes.

Under the terms of the loan agreement pertaining tothe notes payable to banks, the Company is required to maintain consolidated working capital of $35,000,000 and stockholders' equity of $70,000,000. In addition, the loan agreement restricts the payment of cash dividends to 80% of consolidated net income earned since July 1, 1968. Consolidated earned surplus not so restricted at June 30, 1969 amounted to approximately $3,048,000.

Note 4. Capital stock

A summary of capital stock follows:

	JUNE 30, 1969	JUNE 30, 1968
5% preferred — par value $100 per share, 500,000 shares authorized, outstanding 103,517 shares (406,016 in 1968)	$10,352,000	$40,602,000
5% convertible preferred — par value $100 per share, 200,500 shares authorized, each share convertible into six shares of common stock, outstanding 194,375 shares (197,211 in 1968)	19,437,000	19,721,000
Series preferred stock — without par value, authorized 5,000,000 shares:		
Series A convertible, non dividend, stated value $10 per share, each share convertible into .10 share of common stock, outstanding 1,733,693 shares	17,337,000	17,342,000
Series B convertible, non-dividend, stated value $10 per share, each share convertible into .2974 share of common stock, outstanding 499,913 shares	4,999,000	5,000,000
Total preferred stock	52,125,000	82,665,000
Common stock — without par value, stated value $.50 per share, 20,000,000 shares authorized, issued 10,778,930 shares (10,658,857 in 1968)	5,389,000	5,329,000

Under sinking fund provisions, the Company is required to redeem 16,801 shares of the 5% preferred stock on December 30 in each year from 1971 to 1995 at $100 per share. Since 316,515 shares are held in treasury, no redemption is required before 1990. Both classes of 5% preferred stock are subject to redemption in whole or in part at the option of the Company in the year beginning December 1, 1970 at $105 per share and at $1 less per share each year thereafter but not less than $100 per share after December 31, 1975.

During the year the stockholders authorized 5,000,000 shares of Series Preferred Stock and subsequently the Board of Directors designated the Series A and B convertible stock classes. Both classes have 1/10 vote per share. Both classes are redeemable at the option of the holder at the rate of 1/6 per year beginning November 1, 1969 for the Series A shares and 1/5 per year beginning November 1, 1970 for the Series B Shares. The Company has the option to redeem both classes in whole or part for $10 per share beginning November 1, 1976, less any amounts theretofore paid.

CONSOLIDATED STATEMENT OF PAID-IN SURPLUS

Years ended June 30	1969	1968
Balance at beginning of year (after restatement in 1968 for pro forma merger adjustments — Note 1)	**$ 3,390,000**	$ 2,311,000
Excess of option price over stated value of common stock issued on exercise of options	**1,409,000**	826,000
Excess of par value of 2,836 (2,602 in 1968) shares of 5% convertible preferred and stated value of 259 shares of Series A preferred over stated value of 17,041 (15,612 in 1968) shares of common stock issued upon conversion	**279,000**	252,000
Excess of par or stated value over cost of preferred stock purchased (5% preferred — 302,454 shares (1,525 in 1968), Series A — 223 shares and Series B — 76 shares)	**5,050,000**	1,000
Balance at end of year	**$10,128,000**	$3,390,000

CONSOLIDATED STATEMENT OF EARNED SURPLUS

Years ended June 30	1969	1968
Balance at beginning of year	**$18,200,000**	$13,671,000
Net income	**16,570,000**	15,496,000
Pro forma adjustments (Note 1)	**374,000**	2,357,000
Cash dividends declared:		
5% preferred stock	**(2,733,000)**	(3,026,000)
Common stock — $.75 per share ($.68 in 1968)	**(7,774,000)**	(7,012,000)
Portion of net income applicable to Vintners prior to merger transferred to preferred and common stock of Company (Note 1)	**(585,000)**	(3,286,000)
Balance at end of year	**$24,052,000**	$18,200,000

See accompanying notes.

At the beginning of the year options for the purchase of 338,968 shares were outstanding under the Company's qualified and restricted stock option plans. During the year, options as to 225,500 shares were granted, options as to 3,500 shares were surrendered or forfeited and options previously outstanding were exercised as to 105,032 shares (including 2,000 shares from treasury) at prices of $9.50 to $16.63 (an average of $14.24) per share. At June 30, 1969 options as to 452,936 shares were outstanding at prices of $12.78 to $41.69 (an average of $30.03) per share of which options as to 104,597 shares were exercisable and options as to 407,500 shares (626,500 a year earlier) could be granted under the qualified plan.

In February 1969 the Board of Directors granted to certain officers and key employees rights to purchase an aggregate of 61,000 shares of the Company's common stock at $28 per share (73% of the market price at date of grant) of which 50,000 shares had been purchased and issued out of treasury and the balance expired. Under the terms of the grants, the purchaser cannot sell any shares until February 1, 1972 at which time restrictions (which include continued employment) lapse as to 20% and thereafter such restrictions lapse in annual installments of 20%.

At June 30, 1969 common stock was reserved as follows:

Conversion of:	Shares
5% convertible preferred stock	1,166,250
Series A convertible preferred stock	173,369
Series B convertible preferred stock	148,674
Stock options	860,436
	2,348,729

In addition, a maximum of 290,648 shares of Series A convertible preferred stock may be issued depending upon the outcome of certain contingent tax liabilities (see Note 2).

Note 5. Pension plans

Pension expense including amortization of prior years' service cost under plans covering substantially all employees amounted to $1,527,000 in 1969 and $1,492,000 in 1968. The Company's policy is to fund the amounts accrued.

CONSOLIDATED STATEMENT OF SOURCE AND USE OF FUNDS

Years ended June 30	1969	1968
SOURCES		
Operations:		
Net income	**$16,570,000**	$15,496,000
Charges not requiring funds:		
Depreciation and amortization	**8,175,000**	8,273,000
Other	**374,000**	2,357,000
Funds provided from operations	**25,119,000**	26,126,000
Proceeds from exercise of common stock options	**3,388,000**	867,000
Book value of assets sold	**808,000**	1,633,000
Increase in long-term debt	**30,941,000**	1,590,000
	$60,256,000	$30,216,000
USES		
Cash dividends	**10,507,000**	$10,038,000
Portion of net income applicable to Vintners prior to merger transferred to preferred and common stock of Company (Note 1)	**585,000**	3,286,000
Purchase of treasury stock	**32,914,000**	152,000
Additions to property, plant and equipment	**10,586,000**	8,609,000
Additions to trademarks and contracts	**511,000**	1,188,000
Additions to cost in excess of net assets of purchased businesses	**1,894,000**	95,000
Other	**1,092,000**	80,000
Increase in working capital	**2,167,000**	6,768,000
	$60,256,000	$30,216,000

See accompanying notes.

Note 6. Per share data

Earnings per common share and common share equivalent are based upon the Company's average number of shares of common stock outstanding during the year and the number of common shares issuable on the exercise of stock options and on conversion of the Series B preferred shares. Pro forma earnings per common share assuming full dilution, determined on the assumption that all convertible preferred stocks had been converted and that all outstanding stock options had been exercised, amounted to $1.21 in 1969 and $1.10 in 1968.

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors and Stockholders
Heublein, Inc.

We have examined the accompanying consolidated balance sheet of Heublein, Inc. and subsidiaries at June 30, 1969 and the related consolidated statements of income, paid-in surplus and earned surplus and source and use of funds for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We have received the report of other public accountants with respect to their examination of the consolidated financial statements of Heublein Allied Vintners, Inc. and subsidiary, whose total assets and sales represent 32% and 21% of the respective consolidated totals.

In our opinion, based upon our examination and the report of other public accountants referred to above, the statements mentioned above present fairly the consolidated financial position of Heublein, Inc. and subsidiaries at June 30, 1969, the consolidated results of their operations and the source and use of their consolidated funds for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

ARTHUR YOUNG & COMPANY

New York, N.Y.
July 18, 1969

HEUBLEIN, INC. / COMPARISON WITH PRIOR YEARS

Dollars in thousands except per share statistics	**1969**	1968	1967	1966	1965
FOR THE YEAR:					
Net sales	**$520,855**	$485,112	$455,627	$416,886	$382,038
Net income	**16,570**	15,496	15,589	14,297	12,791
Net income as a percent of sales	**3.18%**	3.19%	3.42%	3.43%	3.35%
Taxes of all kinds	**242,906**	216,816	200,745	187,168	171,034
Dividends:					
Preferred requirements	**2,733**	3,026	3,043	3,049	3,100
Common	**7,774**	7,012	5,899	4,653	3,672
Earnings retained in the business	**6,063**	5,458	6,647	6,595	6,019
Depreciation	**6,900**	7,804	8,989	7,265	6,958
Capital expenditures	**10,586**	8,609	9,836	10,612	6,773
*Per common share:**					
Net income — per common share and common equivalent share	**1.27**	1.14	1.16	1.05	.92
Dividends declared	**.75**	.68	.58	.48	.38
Income taxes	**1.88**	1.54	1.42	1.28	1.22
All taxes	**22.26**	19.89	18.53	17.48	16.27
AT YEAR END:					
Net fixed assets	**65,421**	62,877	62,947	62,897	58,996
Working capital	**44,712**	42,545	35,777	31,686	30,628
Current asset ratio	**1.5 to 1**	1.5 to 1	1.5 to 1	1.4 to 1	1.5 to 1
Return on invested capital	**13.5%**	14.2%	14.9%	14.5%	7.9%
Number:					
Employees	**4,858**	4,736	4,733	4,570	4,408
Common shareholders	**15,952**	14,436	13,652	14,645	15,018
Common shares or common equivalent shares*	**10,913,640**	10,899,390	10,836,376	10,708,206	10,513,642
Preferred shares — $100	**297,892**	603,227	607,354	609,773	620,063
Preferred shares — $10	**2,233,606**	2,234,164	2,234,164	2,234,164	2,234,164

The above statistical summary includes, in all years, amounts applicable to United Vintners, Theodore Hamm Brewing Co. and the Coastal Valley Canning Co. acquired in the fiscal years 1969, 1966 and 1966 respectively in transactions treated for accounting purposes as pooling of interests.

** Prior years adjusted for two-for-one stock split in October 1967.*

Annual Shareholders' Meeting

The annual meeting of shareholders of Heublein, Inc., will be held at 11 a.m., Thursday, October 16, 1969 in the Plaza Room of the Hotel America, Constitution Plaza, Hartford, Connecticut.

Transfer Agents

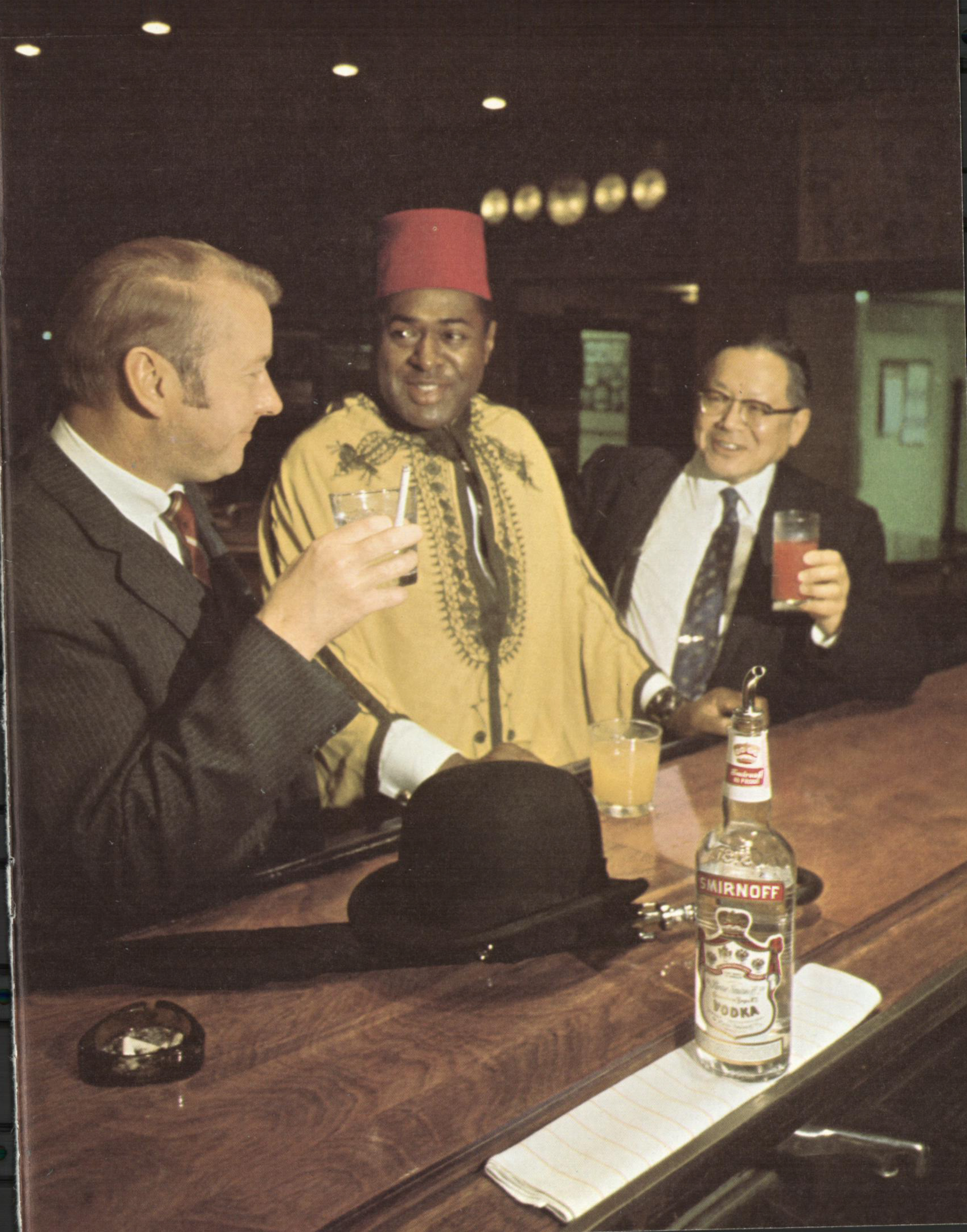
The Bank of New York
48 Wall Street
New York, New York 10015

Bank of America, N. T. & S. A.
300 Montgomery Street
San Francisco, California 94120

Registrars

Morgan Guaranty Trust Co. of New York
23 Wall Street
New York, New York 10015

Wells Fargo Bank, N. A.
464 California Street
San Francisco, California 94120


SMIRNOFF
VODKA

Spirits and Wine Division — Arrow Bitters: Mallort, Pelinkovac • Arrow Cordials: Anisette, Creme de Almond, Creme de Cacao (Brown), Creme de Cacao (White), Creme de Menthe (Green), Creme de Menthe (White), Curacao, Kummel, Kirsh, Ouzo, Peppermint Schnapps, Rock and Rye, Sloe Gin, Triple Sec • Arrow Flavored Brandies: Apricot, Blackberry, Coffee, Ginger, Old Fashioned Ginger Brandy, Peach, Wild Cherry • Arrow Flavored Gins: Lemon, Mint, Orange • Arrow Flavored Vodkas: Cherry, Grape, Lime, Mint, Orange, Peppermint • Arrow Grenadine • Bisquit Cognacs: Baccarat Decanter, Extra, Napoleon, St. Martial, V.S.O.P. • Black Velvet Canadian Whisky • Club Cocktails: Daiquiri, Mai-Tai, Manhattan, Margarita, Martini, Screwdriver, Vodka Gimlet, Vodka Martini, Whiskey Sour • Don Q Gold Rum • Don Q White Rum • El Dorado Rum • Felipe II Spanish Brandy • Hartley Brandy • Harveys Bristol Cream Sherry • Harveys Other Sherries and Ports: Amontillado Cocktail Sherry, Bristol Fino Sherry, Bristol Milk Sherry, The Director's Bin Port, Gold Cap Port, Hunting Port, Shooting Sherry, Tico Cocktail Sherry • Heublein Banquet Cocktails • Heublein Full-strength Bottled Cocktails: Apricot Sour, Black Russian, Brandy Manhattan, Daiquiri, Extra Dry Gin Martini, 11-to-1 Gin Martini, Mai-Tai, Margarita, Manhattan, Old Fashioned, Side Car, Stinger, Tequila Sour, Vodka Gimlet, Vodka Martini, 11-to-1 Vodka Martini, Vodka Sour, Whiskey Sour • Heublein Full-strength Canned Cocktails: Daiquiri, Extra Dry Martini, Gimlet, Mai-Tai, Manhattan, Margarita, Vodka Martini, Whiskey Sour • Heublein Vermouth Sweet and Dry • Hungarian Spirits: Baracklikor Apricot Liqueur, Barack Palinka Apricot Brandy, Czaszkorte Pear Liqueur • Jose Cuervo Tequila • Lancers Vin Rose • McMaster's Canadian • McMaster's Scotch • Matador Tequila • Milshire Charcoal Filtered Gin • Popov Vodka • Quinta Red Table Wine • Relska Vodka • Slivovitz Plum Brandy: Brauns Hungarian Slivovitz, Navip Yugoslavian Slivovitz • Smirnoff Vodka 80° • Smirnoff Vodka 100° • "Tonight" Dry Cocktail Mix: Bourbon Sour, Collins, Daiquiri. Gimlet, Mai-Tai, Margarita, Scotch Sour, Vodka/Gin Sour, Whiskey Sour • Tullamore Dew Irish Whiskey • Vinya Rose Table Wine • **Beaulieu BV Vineyard** (Estate Bottled Vintage Wines)—Altar Wines, Champagne and Sparkling Wines, Dessert Wines, Table Wines • **United Vintners, Inc.** — California Wines — G & D: Dessert Wines, Table Wines, Vermouths • G & D Fior Di California: Table Wines • G & D Greystone: Table Wines • G & D Margo: Dessert Wines • Greystone: Dessert Wines • Inglenook Vineyards: Champagne, Dessert Wines, Estate Bottled Napa Valley Vintage Table Wines, North Coast Counties Vintage Table Wines • Italian Swiss Colony: Arriba Flavored Wine, Bali Hai Tropical Flavored Wine, Brandy, Cappella Table Wine, Chianti Red Table Wine, Gold Chablis, Grenache Vin Rose, Pink Chablis, Rhineskeller White Table Wine, Silver Satin Flavored Wine, Silver Satin & Bitter Lemon Flavored Wine, Swiss Up Flavored Wine, Tipo Red Table Wine, Vermouths, Vino Primo Red Table Wine • Italian Swiss Colony Napa-Sonoma-Mendocino: Table Wines • Italian Swiss Colony Private Stock: Champagne and Sparkling Wines, Dessert Wines, Table Wines • Italian Swiss Colony Gold Medal: Dessert Wines, Table Wines • Jacques Bonet: Brandy, Champagne and Sparkling Wines, Vermouths • Lejon: Brandy, Champagne and Sparkling Wines, Vermouths, Vin Kafe Aperitif Wine • Marca Petri: Table Wines, Vermouths • Petri: Brandy, Champagne and Sparkling Wines, Dessert Wines, Table Wines • Santa Fe: Dessert Wines, Table Wines • Santa Fe Vino Royal: Table Wines • Imported Wines — Bertani Verona Italian Table Wines • Bouchard Pere & Fils Burgundy and Bordeaux Table Wines • Byrrh Aperitif French Cocktail Wine • Chateau Bottled Bordeaux Table Wines: Chateau Bouscaut (Graves), Chateau St. Georges (St. Emilion) • Harvey's Selection Table Wines (France & Germany) • Hungarian Wines: Tokay, Egri Bikaver • Kiku Masamune Japanese Sake • Paul Jaboulet Aine Rhone Table Wines • Rheinhof German Table Wines • Valle Freres French Table Wines • **Consumer Products Division** — A.1. Sauce • Canyon State Green Chiles • Co-Va-Co Diced Bell Peppers • Co-Va-Co Pimientos • Escoffier Sauce Diable • Escoffier Sauce Robert • Grey Poupon Mustard • La Costa Chile Strips • La Mesa Green Chiles • La Mesa Pimientos • Ortega Diced Green Chiles • Ortega Diced Pimientos • Ortega Enchilada Sauce • Ortega Green Chile Salsa • Ortega Green Chile Strips • Ortega Hot (Jalapenos) Peppers • Ortega Sliced Pimientos • Ortega Taco Sauce • Ortega Tomatoes & Hot Green Chiles • Ortega Whole Green Chiles • Ortega Whole Pimientos • Snap-E-Tom Tomato Cocktail • S-Y Diced Green Chiles • S-Y Whole Green Chiles • **Theodore Hamm Brewing Company** — Buckhorn Beer • Hamm's Beer • Velvet Glove Malt Liquor • Waldech Beer

HEUBLEIN, INC. • 330 NEW PARK AVENUE • HARTFORD, CONNECTICUT, U.S.A.